



OFFICE OF
INSURANCE COMMISSIONER

TECHNICAL ASSISTANCE ADVISORY

T 04-04

TO: All Health Carriers

SUBJECT: Chemical Dependency Benefit Changes - Calendar Year 2005

DATE: August 11, 2004

The purpose of this Technical Assistance Advisory is to inform you that the OIC is currently contemplating changes to Chapter 284-53 WAC that will impact the existing method of calculating minimum chemical dependency benefits.

The revisions under consideration are expected to take effect January 1, 2005. They will establish the benefit amount for calendar year 2005. Additionally, they will include a set progression of escalating benefit amounts through 2009, which will eliminate the need to recalculate the benefit each year.

For calendar year 2005, the anticipated revisions will establish a minimum benefit of \$12,500 for chemical dependency. This benefit will apply to new or revised contracts with effective dates from January 1, 2005, through December 31, 2005, and is exclusive of cost-sharing amounts.

In the event we are not able to adopt the proposed revisions by January 1, 2005, the minimum benefit will continue to be calculated as specified in existing WAC 284-53-010(4). Under existing WAC 284-53-010(4), the minimum benefit for 2005 is \$12,316.

To allow for the possibility of this change in the benefit amount, the Rates & Forms Division will make an administrative exception and permit carriers to bracket the chemical dependency benefit amount in contract filings for 2005. Filings containing bracketed benefit amounts must include the written assurance that the benefit will be consistent with the rule changes, if adopted by January 1, 2005 or the new CPI calculation if the rule changes are not adopted.

If you have any questions concerning the new minimum benefit amount or wish to receive copies of any rule drafting changes, please contact Janis LaFlash at (360) 725-7040 or JanisL@oic.wa.gov. Questions concerning contract filings should be directed to Donna Dorris at (360) 725-7119 or DonnaD@oic.wa.gov.